

27 January 2021

<b>Report of</b>	<b>Assistant Director of Client &amp; Place</b>	<b>Author</b>	<b>Clare Lawrance</b> ☎ 252506
<b>Title</b>	<b>Delegation of Authority for the Approval of a Contract for the Redevelopment of Elfreda House</b>		
<b>Wards affected</b>	Shrub End		

## 1. Executive Summary

- 1.1 Elfreda House forms one part of the wider “New Council Housebuilding Programme” that was agreed in 2019 and will provide 350 additional affordable homes between 2019-2024. The scheme has previously been agreed and developed through pre-planning and planning stages, gaining approval in 2020. The contract for construction is currently at competitive tender stage and the winning bidder will then start works on site as soon as possible. This report therefore seeks delegated authority for the Portfolio Holder for Housing, to award the forthcoming contract for the demolition and rebuild of Elfreda House in Shrub End.

## 2. Recommended Decision

- 2.1 To delegate authority for the award of the contract to demolish and rebuild Elfreda House in Shrub End to the Portfolio Holder for Housing.

## 3. Reason for Recommended Decision

- 3.1 The project and budget has previously been agreed, with the project having already been through pre-planning development, a public planning application, and the completion of a technical details pack for the tender to be advertised. Expressions of Interest in this contract were invited in November 2020, evaluated in December 2020 and an invitation to Tender was issued to 6 contractors in early January 2021.
- 3.2 Bids will be returned in February including Social Value offers which are expected to be significant given the estimated budget for the project. The time required to evaluate the bids means that the recommendation for award is likely to be within the pre-election period when Cabinet meetings will not take place and to delay the contract award until after the election would mean an avoidable delay to the commencement of works on site and the ultimate completion and occupation of the building. As the building will benefit tenants who may otherwise have no, or less, suitable accommodation; the decision to delegate authority to the Portfolio Holder for Housing allows that social benefit to be realised without this delay.

## 4. Alternative Options

- 4.1 To delay the delegation, or present the recommended contractor decision to the March Cabinet: However, realistically the knowledge gained would not have significantly advanced. Although the tender exercise would have closed, it is considered too little time

following the conclusion of the procurement exercise to allow sufficient scrutiny of the responses. That means that it would not be possible at that time to choose the winning contractor. The ensuing pre-election period would return to the same position of delegating authority to prevent the successful contractor mobilising quickly and commencing works on site in accordance with the agreed project plan.

## **5. Background Information**

- 5.1 The decision to redevelop Elfreda House was taken at Cabinet in January 2019. The scheme has since been successfully vacated, with strong communication and collaboration between residents, families and the Council/CBH making this process as smooth as possible. The property is now entirely vacant and secured ready for demolition.
- 5.2 In parallel with the vacation of the premises, designs were evolved, consultation took place, and a planning application was submitted. The application also underwent statutory consultation, receiving very little comment from local people as a result of the previous engagement work, and was approved in 2020.
- 5.3 Expressions of Interest in this contract were invited in November 2020 and evaluated in December 2020. As a result, an "Invitation to Tender" was issued to 6 contractors on 5 January 2021. Bids will be returned at the end of February, including Social Value offers which are expected to be significant given the estimated budget for the project.
- 5.4 The time required to evaluate the bids means that the recommendation for award is likely to be within the pre-election period when there are no Cabinet meetings. However, the scheme and budgets are already approved, so the implementation of the project is well established and widely publicised over the last couple of years.
- 5.5 Once the contract is awarded the aim would be to mobilise and commence works on site by early summer. The new scheme should be complete by 2023 and will provide 36 self-contained homes for older people. These will be of the highest standards within the Council's sheltered housing stock and "fit for the future".

## **6. Equality, Diversity and Human Rights implications**

- 6.1 A primary purpose of undertaking these works is to improve the quality of housing accommodation for some of the more vulnerable residents. The redevelopment therefore has a positive impact on equality, diversity and human rights.

## **7. Strategic Plan References**

- 7.1 The Better Colchester Strategic Plan 2020-2023 sets out clearly the Council's priorities including
  - Delivering homes for people who need them
  - Continue to improve and modernise available housing for older people

## **8. Consultation**

- 8.1 Planning Permission for this scheme was granted in December 2020 and statutory consultation was carried out. Prior to that CBC and CBH engaged extensively with residents in the property, their families and Ward Councillors and neighbours.

## **9. Publicity Considerations**

- 9.1 A bespoke Communications Plan is being implemented across all of the Council's housebuilding projects. This project is generally thought to be making best use of the Council's existing resources and has positive communications messages.

## **10. Financial implications**

- 10.1 The capital investment required for this project has been included in the HRA budget being presented to January Cabinet meeting and follows previous decisions.

## **11. Health, Wellbeing and Community Safety Implications**

- 11.1 This project increases the supply of specialist housing for Older People and continues the modernisation of Colchester's sheltered housing portfolio. It therefore makes a positive contribution to the Council's offer to older people.

## **12. Health and Safety Implications**

- 12.1 The site at Elfreda House has been secured, hoarded and is being regularly inspected. The Council's insurers are aware of the current standing of the scheme and the plans for its redevelopment.
- 12.2 A strong track record in Health & Safety practice is a key element of the tender evaluation. The winning contractor will manage on site health and safety, CBH will monitor this through their contract management role, and the Council "Client" will also retain overview as CBC is the contracting authority ultimately responsible for health and safety.

## **13. Risk Management Implications**

- 13.1 This project is a significant capital investment for the Council. The Council have carried out credit checks on the bidders invited to tender and will ensure the Council's interests are protected in the delivery of the contract. A risk register exists for individual projects.

## **14. Environmental and Sustainability Implications**

- 14.1 The new housing scheme will meet the "Future Homes 2025 Standard". It will be heated with a Heat Pump, benefit from solar PV and other features such as "green glass" to the Foyer, a green roof and charging points for electric vehicles.

## **Appendices**

None

## **Background Papers**

None